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UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF IDAHO

In re:

GERALD AND ONA LINDSEY,

Debtors.

Bankruptcy No. 03-21652

UNITED STATES JOINDER IN
TRUSTEE'S SECOND MOTION
TO AMEND VOLUNTARY PETITION,
MOTIONS FOR TURNOVER OF
PROPERTY AND MAIL AND MOTION
TO SHORTEN TIME

The United States of America, through the Internal Revenue Service of the United States, hereby files this Joinder to Trustee's Second Motion to Amend Voluntary Petition, Motion for Turnover of Property, Motion for Turnover of Mail, and Motion to Shorten Time. The United States fully supports the Trustee's Motions upon the same grounds and for the same reasons as were delineated in the first United States Joinder in Trustee's Motions which was filed by the United States on March 16, 2004 and based upon the reasons set forth in the Memorandum filed in support of the motions and the Affidavit of Mr. Barry McHugh. In addition, the United States supports the motions for the following reasons:

1. Warren Derbidge participated in both days of the § 341 creditors' meetings and confirms that the position taken by the Trustee regarding the additional names under which Debtors have dealt with their assets and conducted business transactions is correct.

2. The Debtors owned considerable property in Idaho County, Idaho which was transferred to Searchlight Trust for no consideration in 1994. A large portion of that property was sold. The Debtors' remaining property is their personal residence on 270 acres.

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1 3. When the IRS sent the Debtors examination notices in 2000 and assessment notices in
2 2001, the Debtors took action to transfer both title and control of these assets to Mountain Property
3 Management and Trust Company with Michael Ioane as trustee.

4 4. At the first meeting of creditors, Gerald Lindsey testified that the transfer of property to
5 Searchlight was for no consideration, and the trustees of Searchlight transferred the property to
6 Mountain Property Management and Trust Company for no consideration. Gerald Lindsey also
7 testified that the property was transferred to Mountain Property Management and Trust when he
8 received the IRS assessment notices so he could save the properties from the IRS and hold them in
9 trust for his children.

10 5. To date, the Debtors continue to retain possession and control of the residence. All living
11 expenses, including food, utilities, medical supplies, insurance, etc., are paid by the trust. The
12 transfer left the Debtors insolvent and they continue to reside at the property.

13 6. The named entities are the alter egos of the Debtors, and are managed and operated in a
14 manner which indicates that they are, in fact, a sole proprietorship

15 For the reasons set forth herein and in the Memorandum filed in support of the Motions and
16 the Affidavit of Mr. Barry McHugh, the United States respectfully requests that the Trustee's Motions
17 be granted to preserve the estate.

18 THOMAS E. MOSS
19 UNITED STATES ATTORNEY

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21 AMY S. HOWE
22 on behalf of WARREN S. DERBIDGE
23 Assistant U. S. Attorney
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY I am an employee of the Office of the United States Attorney for the District of Idaho, and that a copy of the foregoing UNITED STATES JOINDER IN TRUSTEE'S MOTIONS was mailed, postage prepaid to each of the parties named below on this 2nd day of April, 2004:

ADDRESSEES:

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